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34 Converging territory

Vantrix on how to make triple play pay.



The power of **three**

So much of what's driving mobile – video, social networking, UGC – is also driving the web and TV. How can the industry develop services that converge all three? Vantrix CMO **Patrick Lopez** has some ideas...

Mobile multimedia content, particularly streaming video and TV, will undoubtedly become a major force within mobile over the next year. Indeed, estimates show that 2.1 billion mobile subscribers will access mobile TV, video on demand, user-generated and music content via their mobile devices over the next five years.

Given these projections, carriers are betting on aggressive convergence strategies to bring web and TV content to handsets. Many have called this 'three screen convergence' (PC, television and mobile) a pipe dream, but the numbers and market conditions indicate otherwise.

It will happen if operators, content providers and handset makers all work towards the same goal of optimising the viewing experience and creating new services that genuinely converge the three channels. Here's how they might do it:

● Meet high end user expectations

The proliferation of Web 2.0 technologies such as social networking applications, location-based services, and the mobile web have created high subscriber expectations. Many operators have yet to successfully marry many of the elements that are ultimately important to subscribers: free apps, on-demand content, shared

subscriptions across services and personalised content.

It is a tall order, but carriers need to redefine their business models and cost structure to satisfy the consumer demand.

● Recognise the impact of user-generated content and social networks

2008 was definitely the year of the mobile web with mobile UGC and social networking driving the growth. Indeed, nearly 40 per cent of all mobile web traffic involved social networking. Yet despite these strong numbers, no real unified end user experience across mobile and internet channels has been built. Many sites are still not optimised for mobile and most mobile web experiences are still determined by handset capabilities.

To capitalise on the potential of these services, operators must create a seamless user experience from web to mobile – and manage the complexity of delivering rich multimedia content to wireless devices. Video streaming and video sharing are critical to this experience. In addition, operators must be willing to adapt their models to usher in more UGC and social media content, accepting new revenue models and re-examining how they monetise additional services.



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● Commit to developing a stronger mobile advertising model

To date, mobile advertising numbers have remained relatively small with most activity limited to text campaigns. There has been minimal incorporation of multimedia or video content because of operators' inability to deliver consistently optimised content across a broad base of subscribers. Until now this was okay, because of limited available content and the small base of video-enabled handsets.

However, this is changing. More content is available and advanced handset penetration is growing. There will be increasing opportunities for operators and content providers to monetise more and more rich content, if and only if, they commit to models that support the delivery of targeted, relevant opt-in advertising.

Over the next year I think we will see some very interesting moves from operators as they seek to meet consumer demand and find alternate means to replace falling ARPU in traditional voice and telephony services. The above are just a few of the considerations they need to address, but I am confident that over the next 12 months we'll see progress that will bring us much closer to truly converged experience.